



Accountants and Management Consultants

November 26, 2003

Mr. Keijiro Kimura, Trustee,  
 Sports Shinko (USA) Co., Ltd.  
 c/o Mr. Steve N. Iwamura, Partner  
 Tohmatsu and Company  
 Osaka Kokusai Building  
 3-13, Azuchi-machi 2-chome  
 Chuo-ku, Osaka 541-0052, Japan

Dear Mr. Kimura:

The purpose of this letter is to set forth the terms of our forthcoming engagement.

We will compile from information you provide the consolidated balance sheets of:

- Sports Shinko (USA) Co., Ltd. and Subsidiaries
- LaCosta Hotel and Spa Corporation
- Sports Shinko (Hawaii) Co., Ltd. and Subsidiaries

as of December 31, 2002, and the related consolidated statements of operations, shareholder's equity, and cash flows, which statements omit substantially all disclosures required by accounting principles generally accepted in the United States of America. The compilation will not include the accounts of Sports Shinko (Florida) Co., Ltd. and Subsidiaries, a wholly-owned subsidiary of Sports Shinko (USA) Co., Ltd. Our work will be performed in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management and the trustees of the Company. Our work will not constitute an audit, the objective of which is the expression of a professional opinion regarding the financial statements taken as a whole, nor will it constitute a review, the principal objective of which is the expression of limited assurance that no material modifications need to be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. Accordingly, we will not express an opinion, or any form of limited assurance, on the financial statements referred to above.

However, it is possible that because of unexpected circumstances, we may determine that we cannot render a report or otherwise complete the engagement. If, in our professional

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EXHIBIT 27.1

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judgment, the circumstances require, we may resign from the engagement prior to completion.

As you know, the financial statements are the responsibility of the management and trustees of the Company who are primarily responsible for the data and information set forth therein, as well as for the evaluation of the capability and integrity of the Company's personnel, ensuring that the Company complies with all laws, regulations, contracts, and grants, and the maintenance of effective internal controls over financial reporting, which includes adequate accounting records and procedures to safeguard the Company's assets. It is also the responsibility of management and trustees to make all financial records and related information available to us, as needed, to complete this engagement. Accordingly, our completion of the compilation will require management's and the trustees' cooperation.

Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts that may exist, nor guarantee the accuracy of the financial statements. Our engagement is subject to the inherent risk that errors, fraud, or illegal acts, if they exist, might not be detected. However, if you wish us to direct special procedures to such matters, we would be pleased to work with you to develop a separate engagement for that purpose.

In addition, we have no responsibility to identify and communicate significant deficiencies or material weaknesses in your internal control as part of this engagement.

Your personnel will furnish us with the following:

1. A trial balance of the general ledger.
2. Reconciliations of bank accounts as of the financial statement date.
3. Information on accounts receivable and accounts payable.
4. Information about liabilities, both actual and contingent.
5. Information on any material changes in data or procedures.

The work papers for this engagement are the property of Grant Thornton LLP and constitute confidential information.

Our engagement will also include the preparation of the income tax returns for the Company and its Subsidiaries (see Attachment A - Estimated Fee by Deliverable).

Our billings for the services set forth in this letter will be based upon our rates for this type of work (see Attachment A - Estimated Fee by Deliverable). Our billings will

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include the actual professional time incurred related to the above services, as well as any other accounting related assistance that the Company may require during the engagement such as recording sales transactions, reconciling intercompany accounts, etc. Of course, circumstances may arise that will require us to do more work. Some of the more common circumstances include: changing requirements, incorrect accounting applications or errors in your records, failure of your staff to prepare information on a timely basis, unforeseen events. If it appears that the estimated fee will be exceeded, we will bring this to your attention. In addition, our billings will also include expenses related to this engagement. It is understood that our responsibility for such services will encompass only periods covered by our services and will not extend to any subsequent periods for which we are not engaged as accountants.

This engagement includes only those services specifically described in this letter. Costs and time spent in legal matters or proceedings arising from our engagement, such as subpoenas, testimony, or consultation involving private litigation, arbitration or government regulatory inquiries at your request or by subpoena, will be billed to you separately.

During the course of our engagement, we may need to electronically transmit confidential information to each other and to outside specialists or other entities engaged by either Grant Thornton LLP or the Company. E-mail is a fast and convenient way to communicate. However, e-mail travels over the public Internet, which is not a secure means of communication and, thus, confidentiality could be compromised. The Company agrees to the use of e-mail and other electronic methods to transmit and receive information, including confidential information, between Grant Thornton LLP and Sports Shinko (USA) Co., Ltd. and Subsidiaries and between Grant Thornton LLP and outside specialists or other entities engaged by either Grant Thornton LLP or the Company.

As a supplement to this letter, we are enclosing an explanation of certain of our Firm's Client Service Concepts. We have found that such explanation helps to clarify our services and enhances our ability to work more closely with our clients.

We look forward to providing the services described in this letter, as well as other accounting services agreeable to us both. In the unlikely event that differences concerning our services or fees should arise that are not resolved by mutual agreement, we both recognize that the matter will probably involve complex business or accounting issues that would be decided most equitably to us both by a judge hearing the evidence without a jury. Accordingly, you and we agree to waive any right to a trial by jury in any

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action, proceeding or counterclaim arising out of or relating to our services and fees for this engagement.

If any portion of this letter is held invalid, it is agreed that such invalidity shall not affect any of the remaining portions.

If you are in agreement with the terms of this letter, please sign one copy and return it for our files. We appreciate the opportunity to provide these services for you and to continue our pleasant association.

Very truly yours,

GRANT THORNTON LLP



Howard R. Hamada  
Partner

HRH:M  
Enclosures:

The foregoing letter fully describes our understanding and is accepted by us.

SPORTS SHINKO (USA) CO., LTD.

  
Keijiro Kimura, President

Date Nov 13, 2004

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ATTACHMENT A - ESTIMATED FEE BY DELIVERABLE

	Fees to date 10/31/03	Estimated fees to be billed	Total estimated fee
<b>Sports Shinko (USA) Co., Ltd. and Subsidiaries consolidated compilation of financial statements</b>			
LaCosta Hotel and Spa Corporation compilation of financial statements			
Sports Shinko (Hawaii) Co., Ltd. and Subsidiaries consolidated compilation of financial statements			
<b>Subtotal</b>			
<b>Tax services</b>			
• Federal Form 1120 for Sports Shinko (USA) Co., Ltd. and Subsidiaries			
• U.S. Department of Commerce Form BE 12(LP)			
• California Form 100 for Sports Shinko (USA) Co., Ltd. and California Subsidiaries			
• Hawaii Form N30 for Sports Shinko (Hawaii) Co., Ltd. and Subsidiaries			
<b>TOTAL</b>			

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CALIFORNIA FORM

3533

## Change of Address

### Part I Complete This Part to Change Your Home Mailing Address

Complete this part if the address change affects individual income tax returns. (Forms 540, 540A, 540-2EZ, or Long or Short Form 540NR)

- If your last return was a joint return and you are now establishing a residence separate from the spouse with whom you filed that return, check the box to the right

1a Your first name	Initial	Last name	1b Your social security number
2a Spouse's first name	Initial	Last name	2b Spouse's social security number

3 Prior name(s) See instructions.

4a Old address (no., street, city or town, state, and ZIP Code). If a PO box or foreign address, see instructions.	Act no.	PMB no.
4b Spouse's old address (no., street, city or town, state, and ZIP Code). If a PO box or foreign address, see instructions.	Act no.	PMB no.
5a New address (no., street, city or town, state, and ZIP Code). If a PO box or foreign address, see instructions.	Act no.	PMB no.

### Part II Complete This Part to Change Your Business Mailing Address or Business Location Address

Check ALL boxes this change affects:

- a  Business, Estate, or Trust returns (Forms 541, 545, 568, 100, 100W, 100G, 109, and 109)
- b  Business, Estate, or Trust location (Also complete line 11)

7b California corporation number

1647938

7c Secretary of State file number

8a Business, Estate, or Trust name

8b FEIN

**REDACTED**

SPORTS SHINKO (USA) CO., LTD.

9 Old mailing address. If a PO box or foreign address, see instructions.

No.	Street	City or Town	State	ZIP Code	PMB no.
848	DEER MOUNTAIN ESTATES	HARPERS FERRY	WV	25425	

10 New mailing address. If a PO box or foreign address, see instructions.

No.	Street	City or Town	State	ZIP Code	PMB no.
99-994	IWAENA STREET STE C	AIEA	HI	96701	

11 New business location address. If a PO box or foreign address, see instructions.

No.	Street	City or Town	State	ZIP Code	PMB no.
99-994	IWAENA STREET STE C	AIEA	HI	96701	

### Part III Signature

Daytime telephone number of person to contact (optional):

Please

Sign

Here

(see instructions)

Your signature  Date

If Part II completed, signature of owner, officer, or representative  Date

If joint return, spouse's signature  Date

Date

For Privacy Act Notice (Individual), get form FTB 1131.

### A Purpose

You may use this form if you change your home or business mailing address or your business location. This address change will also be used for any future correspondence. Generally, complete only one form FTB 3533 to change your home and business addresses. If this change also affects the mailing address for your children who filed separate tax returns, complete a separate form FTB 3533 for each child. If you are a representative filing for the taxpayer, attach a copy of your power of attorney to this form. Note: You may also notify the FTB of a change of address by calling (800) 852-5711. If you have called the FTB and reported a change of address, you do not need to file this form.

### B Prior Name(s)

If you or your spouse changed your name because of marriage, divorce, etc., complete line 3.

### C Addresses

Be sure to include any apartment, room, or suite number.

### D PO Box

If your post office does not deliver mail to your street address, show your PO box number instead of your street address.

If you lease a private mailbox (PMB) from a private business rather than a PO box from the United States Postal Service, include the box number in the field labeled "PMB no." in the address area.

### E Foreign Address

If your address is outside the United States or its possessions, territories, enter the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal

code. Please do not abbreviate the country name.

### F Signature

If you are completing Part II, the owner, officer, or a representative must sign. An officer is the president, vice president, treasurer, chief accounting officer, etc. A representative is a person who has a valid power of attorney to handle tax matters.

### G Where to File

Mail this form to:

FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-0002

Note: If you moved after you filed your return and you are expecting a refund, also notify the post office serving your old address. This will help forward your check to your new address.

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